

House Amendment 1106

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1 1 Amend House File 498 as follows:
1 2 #1. By striking everything after the enacting
1 3 clause and inserting the following:
1 4 <Section 1. NEW SECTION. 7B.1 IOWA ENERGY
1 5 INDEPENDENCE ACT.
1 6 This chapter shall be known and may be cited as the
1 7 "Iowa Energy Independence Act".
1 8 Sec. 2. NEW SECTION. 7B.2 DEFINITIONS.
1 9 1. "Alternative and renewable energy" means energy
1 10 sources including but not limited to solar, wind
1 11 turbine, waste management, resource recovery,
1 12 recovered energy generation, refuse-derived fuel,
1 13 hydroelectric, agricultural crops or residues, and
1 14 woodburning, or relating to renewable fuel development
1 15 and distribution.
1 16 2. "Cellulosic biomass renewable fuel" means
1 17 renewable fuel derived from any lignocellulosic or
1 18 hemicellulosic matter that is available on a renewable
1 19 or recurring basis, including dedicated energy crops
1 20 and trees, wood and wood residues, plants, grasses,
1 21 agricultural residues, fibers, animal wastes, and
1 22 other waste material and municipal solid waste.
1 23 3. "Council" means the Iowa energy independence
1 24 advisory council established in section 7B.6.
1 25 4. "Director" means the director of the Iowa
1 26 energy independence office established in section
1 27 7B.4.
1 28 5. "Recovered energy generation" means a recycled
1 29 energy system, other than a system whose primary
1 30 purpose is the generation of electricity, which
1 31 produces electricity from currently unused waste heat
1 32 resulting from combustion or other processes and which
1 33 does not use an additional combustion process.
1 34 6. "Renewable fuel" means motor vehicle fuel that
1 35 meets any of the following conditions:
1 36 a. Is produced from grain, starch, oilseed,
1 37 vegetable, animal, or fish materials including fats,
1 38 greases, and oils, sugarcane, sugar beets, sugar
1 39 components, tobacco, potatoes, or other biomass, or is
1 40 natural gas produced from a biogas source including a
1 41 landfill, sewage waste treatment plant, feedlot, or
1 42 other place where decaying organic material is found.
1 43 b. Is used to replace or reduce the quantity of
1 44 fossil fuel present in a fuel mixture used to operate
1 45 a motor vehicle.
1 46 "Renewable fuel" includes cellulosic biomass
1 47 renewable fuel, waste-derived renewable fuel, and
1 48 biodiesel fuel and any blending components derived
1 49 from renewable fuel, provided that only the renewable
1 50 fuel portion of any such blending component shall be
2 1 considered part of the applicable volume under the
2 2 renewable fuel program.
2 3 Sec. 3. NEW SECTION. 7B.3 PURPOSE.
2 4 The purpose for establishing the Iowa energy
2 5 independence Act is to enhance the quality of life of
2 6 the citizens of this state through increasing the
2 7 autonomy of the state as a self-sufficient source of
2 8 nonresource-depleting alternative or renewable energy,
2 9 the independence of the state from reliance upon
2 10 foreign sources of energy, and the efficiency of the
2 11 state in maximizing opportunities to achieve energy
2 12 efficiency through energy conservation measures and
2 13 practices and economic growth and new job creation.
2 14 Sec. 4. NEW SECTION. 7B.4 IOWA ENERGY
2 15 INDEPENDENCE OFFICE.
2 16 1. An Iowa energy independence office is
2 17 established to accomplish the purpose stated in
2 18 section 7B.3. The director of the office shall be
2 19 appointed by the governor, subject to confirmation by
2 20 the senate, and shall serve at the pleasure of the
2 21 governor. If the office of the director becomes
2 22 vacant, the vacancy shall be filled in the same manner
2 23 as provided for the original appointment. The
2 24 director shall serve as the governor's advisor

2 25 regarding state energy policy, and in performing that
2 26 function, and in exercising the responsibilities set
2 27 forth in subsection 2, shall recognize and observe the
2 28 autonomy of state agencies in relation to matters
2 29 within their scope of authority and shall focus on
2 30 policy recommendations to the governor and the members
2 31 of the general assembly rather than prescriptive or
2 32 regulatory actions impacting state agencies. The
2 33 director may hire a deputy director and support staff.

2 34 2. In serving as the state energy policy advisor,
2 35 the director shall develop policy recommendations
2 36 based on a review or coordination of the following:

2 37 a. Activities of the Iowa energy independence
2 38 advisory council established in section 7B.6.

2 39 b. All programs relating to energy independence in
2 40 this state which receive state appropriations.

2 41 c. State agency opportunities to identify and
2 42 secure federal, state, private, and nonprofit
2 43 foundation funding for energy efficiency, alternative
2 44 and renewable energy, and advanced technology energy
2 45 research projects and to coordinate use of such funds.

2 46 d. Consultation with congressional delegations
2 47 regarding federal energy policy, grant criteria, and
2 48 fund allocation to ensure that this state receives an
2 49 appropriate share of federal funding.

2 50 e. Assistance to local governments, small
3 1 businesses, and community-based organizations in the
3 2 identification and securing of federal, state,
3 3 private, and nonprofit foundation funding for energy
3 4 efficiency, alternative and renewable energy
3 5 development, energy research, and other related energy
3 6 projects.

3 7 f. Preparation of the Iowa energy independence
3 8 plan as provided in section 7B.5.

3 9 g. Making presentations to private investors,
3 10 nonprofit foundations, and industry associations on
3 11 state programs for new alternative and renewable
3 12 energy technologies and investment opportunities in
3 13 research and technology deployment.

3 14 h. Formulation of recommendations to the governor
3 15 and the general assembly regarding changes in
3 16 programs, policies, legislation, and administrative
3 17 rules that may enhance state energy independence
3 18 efforts, including the elimination of programs or
3 19 transfer of programs to another agency.

3 20 i. Assistance with administration of the Iowa
3 21 power fund created in section 15J.1.

3 22 j. Conducting, in cooperation with the department
3 23 of public safety and the department of natural
3 24 resources, a study of green building standards. The
3 25 study shall be completed by January 1, 2009, and shall
3 26 include the following:

3 27 (1) Definition of green building standards,
3 28 including building design, construction, maintenance
3 29 techniques, building materials, and equipment
3 30 promoting energy efficiency, energy conservation,
3 31 utilization of renewable energy, and technology which
3 32 can be applied to the construction and maintenance of
3 33 new structures or rehabilitation of existing
3 34 structures.

3 35 (2) Development of performance objectives for
3 36 green buildings.

3 37 (3) Development of green building energy-efficient
3 38 design standards and the scope of their application,
3 39 and integration of energy-efficient design standards
3 40 into the state building code adopted pursuant to
3 41 chapter 103A and local building regulations.

3 42 (4) Determination of the current status of
3 43 enforcement of energy conservation requirements in
3 44 construction and methods for improving compliance with
3 45 those requirements.

3 46 (5) Development of training materials for building
3 47 code officials in energy-efficient design standards.

3 48 Sec. 5. NEW SECTION. 7B.5 IOWA ENERGY
3 49 INDEPENDENCE PLAN.

3 50 An Iowa energy independence plan shall be developed
4 1 by the director in association with public and private
4 2 partners selected by the director and with the
4 3 assistance of the Iowa energy independence advisory
4 4 council established in section 7B.6. The goal of the
4 5 plan shall be to achieve energy independence from

4 6 foreign sources of energy by 2025. The first plan
4 7 shall be submitted to the governor and the members of
4 8 the general assembly by December 15, 2007, with
4 9 subsequent plans to be submitted every five years
4 10 thereafter, or more often if deemed necessary by the
4 11 director. The plan shall identify how the state can
4 12 accomplish the following:

4 13 1. Maximizing use of emerging technologies to
4 14 enhance energy efficiency and conservation and develop
4 15 alternative and renewable energy sources.

4 16 2. Enhancing the development of the state's
4 17 bioeconomy including but not limited to state-based
4 18 bioengineering and biorefining.

4 19 3. Encouraging private industry to invest in the
4 20 development of the state's bioeconomy including but
4 21 not limited to the design, production, maintenance,
4 22 and repair of state-based facilities.

4 23 4. Balancing the interests of crop, biomass,
4 24 livestock producers, biofuel, and other bioproduct
4 25 manufacturers, consistent with sustainable land use,
4 26 clean air, and clean water practices.

4 27 5. Identifying the road, rail, pipeline, and other
4 28 infrastructure modifications needed to enhance state
4 29 energy independence efforts.

4 30 6. Developing recommendations regarding regulatory
4 31 policy including utility renewable portfolio
4 32 standards, greenhouse gas emission standards, building
4 33 code standards, improved compliance and enforcement,
4 34 elimination of unnecessary rules, and streamlined
4 35 permitting that may enhance state energy independence
4 36 efforts consistent with sustainable land use, clean
4 37 air and clean water practices, and enforcement. The
4 38 recommendations shall include a cost analysis of the
4 39 recommended policy.

4 40 7. Structuring public and private education
4 41 policies including curriculum, research assistance,
4 42 and coordination of research among institutions and
4 43 private industry that may enhance state energy
4 44 independence efforts.

4 45 8. Reviewing and assessing the effectiveness of
4 46 state programs, including financial assistance
4 47 programs and tax policies, in enhancing state energy
4 48 independence efforts.

4 49 9. Identifying strategies to increase
4 50 affordability of energy for the low-income population
5 1 in this state.

5 2 Sec. 6. NEW SECTION. 7B.6 IOWA ENERGY
5 3 INDEPENDENCE ADVISORY COUNCIL ESTABLISHED ==
5 4 MEMBERSHIP == DUTIES.

5 5 1. An Iowa energy independence advisory council is
5 6 created to assist the director in developing the Iowa
5 7 energy independence plan and to provide public energy
5 8 education and outreach. The council shall oversee and
5 9 coordinate energy efficiency and conservation efforts
5 10 for state agency facilities, in recognition of the
5 11 relative amount of goods and services consumed by
5 12 state government and the desirability of state
5 13 agencies leading by example in those efforts.

5 14 2. The council shall consist of eleven members
5 15 appointed by the governor, subject to confirmation by
5 16 the senate, as follows:

5 17 a. One member representing the Iowa utilities
5 18 board.

5 19 b. One member representing the Iowa energy center.

5 20 c. One member representing the Iowa farm bureau.

5 21 d. One member representing investor-owned
5 22 utilities.

5 23 e. One member representing rural electric
5 24 cooperatives.

5 25 f. One member representing a municipal utility.

5 26 g. One member representing the office of consumer
5 27 advocate.

5 28 h. Four members representing associations,
5 29 organizations, or departments based in this state with
5 30 demonstrated experience in the fields of economic
5 31 development, biofuels, research and development,
5 32 business and industry, or energy commercialization.

5 33 Members appointed by the governor are subject to
5 34 the requirements of sections 69.16, 69.16A, and 69.19,
5 35 and shall serve three-year staggered terms.

5 36 The Iowa energy independence office shall provide

5 37 staffing support to the council.
5 38 3. The council shall advise the director regarding
5 39 the following:
5 40 a. Iowa energy independence plan development and
5 41 administration of the Iowa power fund created in
5 42 section 15J.1.
5 43 b. Review of the progress reports submitted by
5 44 state agencies as described in subsection 4 and
5 45 development of policy recommendations based on that
5 46 review.
5 47 c. Recommendations for programs that encourage
5 48 greater consumer acceptance of biofuels, energy
5 49 efficiency, and conservation.
5 50 d. Recommendations for a public education and
6 1 awareness campaign to ensure that all state citizens
6 2 can benefit from new alternative and renewable energy
6 3 programs, products, and investments.
6 4 e. Creation of a smart schools and smart
6 5 communities program to increase the awareness of
6 6 school districts and local governments regarding
6 7 energy efficiency measures to save money and reduce
6 8 their overall energy consumption.

6 9 4. a. The council shall cooperate with the
6 10 department of natural resources in obtaining copies of
6 11 the energy efficiency progress reports submitted by
6 12 state agencies to the department pursuant to executive
6 13 order number 41, 2005. As required pursuant to that
6 14 executive order, the reports shall document state
6 15 agency efforts to achieve the following:
6 16 (1) Identification and implementation of energy
6 17 efficiency measures as provided in section 473.13A,
6 18 including the reduction in energy consumption per
6 19 square foot in all state-owned facilities by an
6 20 average of fifteen percent by 2010 relative to 2000
6 21 levels, and retention and reinvestment of energy
6 22 savings realized in facility infrastructure needs.
6 23 (2) Compliance with sections 72.5 and 470.8
6 24 relating to implementation of a life cycle cost
6 25 analysis for new public facility construction or
6 26 renovation and the purchase of lowest life cycle cost
6 27 equipment.
6 28 (3) Procurement of at least ten percent of the
6 29 electric consumption for state-owned facilities from
6 30 alternate energy production facilities, as defined in
6 31 section 476.42, by 2010.
6 32 (4) Procurement of one hundred percent of the
6 33 nonlaw enforcement, light-duty vehicles by 2010 in the
6 34 form of alternative fuel vehicles or hybrid-electric
6 35 vehicles; and operation of flexible fuel vehicles on
6 36 E-85 fuel whenever an E-85 fueling facility is
6 37 available.
6 38 (5) Assurance that all bulk diesel fuel procured
6 39 has at least ten percent renewable content by 2008,
6 40 and twenty percent by 2010 if available, and assurance
6 41 that diesel vehicles operate on biodiesel blends
6 42 whenever such blends are available.
6 43 b. The council shall conduct a review of the
6 44 reports submitted pursuant to paragraph "a", cooperate
6 45 with the department regarding feedback and
6 46 recommendations to each agency regarding progress to
6 47 date and suggestions for modifications, and shall
6 48 submit policy objectives and recommendations to the
6 49 director based on the review.

6 50 Sec. 7. Section 8A.321, Code 2007, is amended by
7 1 adding the following new subsection:
7 2 NEW SUBSECTION. 16. Review contracts for the
7 3 acquisition, construction, erection, alteration, or
7 4 repair of buildings and grounds for use by state
7 5 agencies pursuant to this section to ensure compliance
7 6 with state building code modifications and energy
7 7 efficiency standards incorporated into the Iowa energy
7 8 independence plan pursuant to section 7B.5, subsection
7 9 6.

7 10 Sec. 8. Section 8A.362, subsection 5, unnumbered
7 11 paragraph 1, Code 2007, is amended to read as follows:
7 12 ~~Of all~~ All new passenger vehicles and light pickup
7 13 trucks purchased by the director, ~~a minimum of ten~~
7 14 ~~percent of all such vehicles and trucks purchased~~
7 15 shall be equipped with engines which utilize
7 16 alternative methods of propulsion including but not
7 17 limited to any of the following:

7 18 Sec. 9. Section 8A.362, subsection 9, Code 2007,
7 19 is amended to read as follows:

7 20 9. a. All fuel used in state-owned automobiles
7 21 shall be purchased at cost from the various
7 22 installations or garages of the state department of
7 23 transportation, state board of regents, department of
7 24 human services, or state motor pools throughout the
7 25 state, unless the state-owned sources for the purchase
7 26 of fuel are not reasonably accessible. If the
7 27 director determines that state-owned sources for the
7 28 purchase of fuel are not reasonably accessible, the
7 29 director shall authorize the purchase of fuel from
7 30 other sources. The director may prescribe a manner,
7 31 other than the use of the revolving fund, in which the
7 32 purchase of fuel from state-owned sources is charged
7 33 to the state agency responsible for the use of the
7 34 motor vehicle. The director shall prescribe the
7 35 manner in which oil and other normal motor vehicle
7 36 maintenance for state-owned motor vehicles may be
7 37 purchased from private sources, if they cannot be
7 38 reasonably obtained from a state motor pool. The
7 39 director may advertise for bids and award contracts in
7 40 accordance with competitive bidding procedures for
7 41 items and services as provided in this subchapter for
7 42 furnishing fuel, oil, grease, and vehicle replacement
7 43 parts for all state-owned motor vehicles. The
7 44 director and other state agencies, when advertising
7 45 for bids for gasoline, shall also seek bids for
7 46 ethanol blended gasoline.

7 47 b. Installations or garages of the state
7 48 department of transportation, state board of regents,
7 49 department of human services, or state motor pools
7 50 throughout the state, shall be equipped with motor
8 1 fuel storage and dispensing infrastructure in the form
8 2 of a tank and motor fuel pumps necessary to keep and
8 3 dispense E-85 gasoline by 2009. The department shall
8 4 by rule establish E-85 gasoline usage standards
8 5 applicable to state employees driving or operating
8 6 state-owned vehicles and trucks other than vehicles
8 7 and trucks purchased and directly used for law
8 8 enforcement or purchased and used for off-road
8 9 maintenance work or to pull loaded trailers.

8 10 Sec. 10. Section 15.103, subsection 1, paragraph
8 11 a, Code 2007, is amended to read as follows:
8 12 a. The Iowa economic development board is created,
8 13 consisting of fifteen voting members appointed by the
8 14 governor and ~~seven~~ eight ex officio, nonvoting
8 15 members. The ex officio, nonvoting members are four
8 16 legislative members; one president, or the president's
8 17 designee, of the university of northern Iowa, the
8 18 university of Iowa, or Iowa state university of
8 19 science and technology designated by the state board
8 20 of regents on a rotating basis; and one president, or
8 21 the president's designee, of a private college or
8 22 university appointed by the Iowa association of
8 23 independent colleges and universities; ~~and~~ one
8 24 superintendent, or the superintendent's designee, of a
8 25 community college, appointed by the Iowa association
8 26 of community college presidents; and the director of
8 27 the Iowa energy independence office established in
8 28 section 7B.4. The legislative members are two state
8 29 senators, one appointed by the president of the
8 30 senate, after consultation with the majority leader of
8 31 the senate, and one appointed by the minority leader
8 32 of the senate, after consultation with the president
8 33 of the senate, from their respective parties; and two
8 34 state representatives, one appointed by the speaker
8 35 and one appointed by the minority leader of the house
8 36 of representatives from their respective parties. Not
8 37 more than eight of the voting members shall be from
8 38 the same political party. Beginning with the first
8 39 appointment to the board made after July 1, 2005, at
8 40 least one voting member shall have been less than
8 41 thirty years of age at the time of appointment. The
8 42 governor shall appoint the voting members of the board
8 43 for a term of four years beginning and ending as
8 44 provided by section 69.19, subject to confirmation by
8 45 the senate, and the governor's appointments shall
8 46 include persons knowledgeable of the various elements
8 47 of the department's responsibilities.

8 48 Sec. 11. NEW SECTION. 15J.1 IOWA POWER FUND.

8 49 1. An Iowa power fund is created in the state
8 50 treasury under the control of the department of
9 1 economic development. Moneys in the fund are not
9 2 subject to section 8.33. Notwithstanding section
9 3 12C.7, interest or earnings on moneys in the fund
9 4 shall be credited to the fund. The fund shall be
9 5 administered by the department, which shall make
9 6 expenditures from the fund consistent with this
9 7 section and pertinent Acts of the general assembly in
9 8 coordination with the director of the Iowa energy
9 9 independence office established in section 7B.4, and
9 10 with the assistance of the Iowa energy independence
9 11 advisory council established in section 7B.6.

9 12 2. The purpose of the fund shall be to further the
9 13 goals of increasing the production and use of biofuels
9 14 and other renewable sources of energy, improving
9 15 energy efficiency, reducing greenhouse gas emissions,
9 16 and achieving energy independence for this state.
9 17 Distributions from the fund shall assist in the
9 18 achievement of these goals by accelerating research
9 19 and development, the transfer of knowledge,
9 20 technological innovations, improved economic
9 21 competitiveness, and the demand for and public
9 22 education in utilization of technological innovations
9 23 and approaches leading to energy efficiency.

9 24 3. The department, in consultation with the
9 25 director of the Iowa energy independence office and
9 26 the Iowa energy independence advisory council, shall
9 27 adopt rules specifying a request for proposals process
9 28 for making fund distributions to applicants from
9 29 private sector businesses located in this state
9 30 pledging to invest in the creation or enhancement of
9 31 alternative or renewable energy research, production
9 32 facilities, and jobs. Distributions shall commence by
9 33 December 2007. Applicants shall commit to the
9 34 following:

9 35 a. Assurance that state funding received shall be
9 36 matched by the applicant for venture capital and
9 37 business start-up expenses.

9 38 b. Provision of sufficient wages and benefits to
9 39 employees to provide an incentive to attract and
9 40 retain qualified employees.

9 41 c. Investment and expansion of existing or future
9 42 management functions and manufacturing plant locations
9 43 in this state, to the extent applicable.

9 44 4. The department may reclaim any state funds
9 45 invested if the commitments set forth in subsection 3
9 46 are not honored by an applicant receiving a
9 47 distribution from the fund, pursuant to procedures to
9 48 be adopted by rule.

9 49 Sec. 12. Section 103A.8A, Code 2007, is amended to
9 50 read as follows:

10 1 103A.8A ENERGY CONSERVATION REQUIREMENTS.

10 2 The state building code commissioner shall adopt as
10 3 a part of the state building code a requirement that
10 4 new single-family or two-family residential
10 5 construction shall comply with energy conservation
10 6 requirements. The requirements adopted by the
10 7 commissioner shall be based upon a nationally
10 8 recognized standard or code for energy conservation.
10 9 The requirements shall only apply to single-family or
10 10 two-family residential construction commenced after
10 11 the adoption of the requirements. ~~This chapter shall
10 12 not be construed to prohibit a governmental
10 13 subdivision from adopting or enacting a minimum energy
10 14 standard which is substantially in accordance and
10 15 consistent with energy codes and standards developed
10 16 by a nationally recognized organization in effect on
10 17 or after July 1, 2002. A governmental subdivision
10 18 that adopts or enacts a minimum energy standard which
10 19 is substantially in accordance and consistent with
10 20 energy codes and standards developed by a nationally
10 21 recognized organization shall adopt or enact any
10 22 update or revision to the energy codes and standards.
10 23 Notwithstanding any other provision of this chapter to
10 24 the contrary, the energy conservation requirements
10 25 adopted by the commissioner and approved by the
10 26 council shall apply to new single-family or two-family
10 27 residential construction commenced on or after July 1,
10 28 2007, and shall supersede and replace any minimum
10 29 requirements for energy conservation adopted or~~

10 30 enacted by the governmental subdivision prior to that
10 31 date applicable to such construction.

10 32 Sec. 13. Section 103A.10, subsection 4, paragraph
10 33 a, Code 2007, is amended to read as follows:

10 34 a. Provisions of the state building code
10 35 establishing thermal efficiency energy conservation
10 36 standards shall be applicable to all new construction
10 37 owned by the state, an agency of the state or a
~~10 38 political subdivision of the state, to all new~~
~~10 39 construction located in a governmental subdivision~~
~~10 40 which has adopted either the state building code or a~~
~~10 41 local building code or compilation of requirements for~~
~~10 42 building construction and to all other new~~
~~10 43 construction in the state which will contain more than~~
~~10 44 one hundred thousand cubic feet of enclosed space that~~
10 45 is heated or cooled.

10 46 Sec. 14. Section 103A.10, subsection 5, Code 2007,
10 47 is amended by striking the subsection and inserting in
10 48 lieu thereof the following:

10 49 5. Notwithstanding any other provision of this
10 50 chapter to the contrary, the energy conservation
11 1 requirements adopted by the commissioner and approved
11 2 by the council shall apply to all new construction
11 3 commenced on or after July 1, 2007, and shall
11 4 supersede and replace any minimum requirements for
11 5 energy conservation adopted or enacted by the
11 6 governmental subdivision prior to that date and
11 7 applicable to such construction.

11 8 Sec. 15. Section 103A.22, subsection 1, Code 2007,
11 9 is amended to read as follows:

11 10 1. Nothing in this chapter shall be construed as
11 11 prohibiting any governmental subdivision from adopting
11 12 or enacting any building regulations relating to any
11 13 building or structure within its limits, but a
11 14 governmental subdivision in which the state building
11 15 code has been accepted and is applicable shall not
11 16 have the power to supersede, void, or repeal or make
11 17 more restrictive any of the provisions of this chapter
11 18 or of the rules adopted by the commissioner. This
11 19 subsection shall not apply to energy conservation

11 20 requirements adopted by the commissioner and approved
11 21 by the council pursuant to section 103A.8A or 103A.10.

11 22 Sec. 16. Section 266.39C, subsection 3, Code 2007,
11 23 is amended to read as follows:

11 24 3. Iowa state university of science and technology
11 25 shall employ a director for the center, who shall be
11 26 appointed by the president of Iowa state university of
11 27 science and technology. The director of the center
11 28 shall employ necessary research and support staff.
11 29 The director and staff shall be employees of Iowa
11 30 state university of science and technology. ~~No more~~

~~11 31 than seven hundred thousand dollars of the funds made~~
~~11 32 available by appropriation from state revenues in any~~
~~11 33 one year shall be expended by the center for the~~
~~11 34 salaries and benefits of the employees of the center,~~
~~11 35 including the salary and benefits of the director.~~
~~11 36 The limit on expenditures for salaries and benefits~~
~~11 37 shall be adjusted annually by a percentage equal to~~
~~11 38 the average percentage salary adjustment approved~~
~~11 39 annually by the state board of regents for~~
~~11 40 professional and scientific employees at Iowa state~~
~~11 41 university of science and technology. The remainder~~
~~11 42 of the funds appropriated from state funds Funds~~
11 43 appropriated to the center shall be used to sponsor
11 44 research grants and projects submitted on a
11 45 competitive basis by Iowa colleges and universities
11 46 and private nonprofit agencies and foundations, and
11 47 for the salaries and benefits of the employees of the
11 48 center. The center may also solicit additional grants
11 49 and funding from public and private nonprofit agencies
11 50 and foundations.

12 1 Sec. 17. Section 476.1A, subsection 7, Code 2007,
12 2 is amended by striking the subsection.

12 3 Sec. 18. Section 476.1A, unnumbered paragraph 2,
12 4 Code 2007, is amended by striking the numbered
12 5 paragraph.

12 6 Sec. 19. Section 476.1B, subsection 1, paragraph
12 7 1, Code 2007, is amended by striking the paragraph.

12 8 Sec. 20. Section 476.1B, subsection 2, Code 2007,
12 9 is amended by striking the subsection.

12 10 Sec. 21. Section 476.6, Code 2007, is amended by

12 11 adding the following new subsection:
12 12 NEW SUBSECTION. 18A. ENERGY EFFICIENCY
12 13 IMPLEMENTATION FOR OTHER GAS AND ELECTRIC UTILITIES.
12 14 1. a. All gas and electric public utilities that
12 15 are not subject to the provisions of subsections 16
12 16 through 18 shall offer energy efficiency programs to
12 17 their customers through board-approved energy
12 18 efficiency plans. The board shall permit these
12 19 utilities to file plans sponsored by the associations
12 20 to which they belong. Utility associations shall
12 21 develop energy efficiency plans that are tailored to
12 22 their membership. The utility may provide the energy
12 23 programs or the programs may be provided through a
12 24 contractor or agent of the utility, utilizing
12 25 contractors or agents in this state to the extent cost
12 26 effective.
12 27 b. An energy efficiency plan as a whole shall be
12 28 cost-effective. In determining the cost-effectiveness
12 29 of an energy efficiency plan, the board shall apply a
12 30 societal test and a participant test, as defined in
12 31 rules adopted by the board. Energy efficiency
12 32 programs for qualified low-income persons, tree
12 33 planting programs, and public education programs shall
12 34 not be subject to the societal or participant tests
12 35 and shall not be considered in determining
12 36 cost-effectiveness of plans as a whole.
12 37 c. All utilities shall file plans by January 15,
12 38 2009, and shall continue any existing plan until a new
12 39 plan is approved. The board by rule or order may
12 40 stagger the filings and require that some utilities
12 41 file at dates prior to December 31, 2008, but no
12 42 earlier than November 1, 2007. Utilities shall refile
12 43 their plans at least every five years.
12 44 2. a. All energy efficiency plans filed pursuant
12 45 to subsection 1 shall include a range of programs
12 46 tailored to the needs of a utility's various customer
12 47 classes. All energy efficiency plans shall also
12 48 include a program for qualified low-income persons.
12 49 b. An energy efficiency plan shall be deemed
12 50 approved within sixty days of filing, unless the board
13 1 docketed the plan for contested case proceedings. A
13 2 plan shall not be docketed until after the expiration
13 3 of a sixty-day period following return of the plan by
13 4 the board to the utility for submission by the utility
13 5 of a revised plan. The board may approve or reject a
13 6 plan, and shall adopt rules governing the contested
13 7 case proceedings. The board shall also adopt rules
13 8 containing a default energy efficiency plan that shall
13 9 be implemented by a utility if the board does not
13 10 approve its plan or if the utility fails to file a
13 11 plan. The default plan may include a range of options
13 12 based on type and size of the utility. The default
13 13 plan, at a minimum, shall provide that the public
13 14 spend two percent of its annual revenues on energy
13 15 efficiency programs, including funding for qualified
13 16 low-income persons, for residential and nonresidential
13 17 lighting for electric utilities, and for water-saving
13 18 measures to reduce gas water heating for gas
13 19 utilities.
13 20 c. Utilities that fail to file energy efficiency
13 21 plans or implement approved plans shall be subject to
13 22 enforcement of civil penalties pursuant to section
13 23 476.51.
13 24 d. The board shall adopt rules pursuant to chapter
13 25 17A to administer this subsection.
13 26 Sec. 22. Section 476.6, Code 2007, is amended by
13 27 adding the following new subsection:
13 28 NEW SUBSECTION. 18B. ALTERNATIVE AND RENEWABLE
13 29 ENERGY OBJECTIVE.
13 30 1. To attain the goal of energy independence, each
13 31 electric utility shall make a good faith effort to
13 32 generate or procure electricity from sources of
13 33 alternative and renewable energy as defined in section
13 34 7B.2 for provision to retail consumers.
13 35 2. Each electric utility shall report on its
13 36 plans, activities, and progress in meeting the
13 37 objective specified in subsection 1 either in filings
13 38 required to be submitted to the board, or in a
13 39 separate report submitted to the board on an annual
13 40 basis, demonstrating to the board that the utility is
13 41 making the required good faith effort. The filings or

13 42 report shall contain a description of the following:
13 43 a. Status of the utility's alternative and
13 44 renewable energy mix relative to the utility's stated
13 45 objective.
13 46 b. Efforts being undertaken to meet the objective.
13 47 c. Obstacles encountered or anticipated in meeting
13 48 the objective and their potential solutions.
13 49 3. The board shall submit an annual report based
13 50 on the information submitted in subsection 2 to the
14 1 director of the Iowa energy independence office
14 2 established in section 7B.4, and to the chairpersons
14 3 of the senate and house of representatives committees
14 4 with jurisdiction over energy and environmental policy
14 5 issues regarding progress made by electric utilities
14 6 in this state in increasing the amount of alternative
14 7 and renewable energy used to provide electricity to
14 8 retail customers.
14 9 Sec. 23. Section 476.46, subsection 2, paragraph
14 10 d, subparagraph (2), Code 2007, is amended to read as
14 11 follows:
14 12 (2) A facility shall be eligible for no more than
14 13 ~~two hundred fifty thousand~~ one million dollars in
14 14 loans outstanding at any time under this program.
14 15 Sec. 24. Section 476.47, subsection 2, Code 2007,
14 16 is amended by adding the following new paragraph:
14 17 NEW PARAGRAPH. c. Electric utilities shall
14 18 include a report of efforts made in the past year to
14 19 further the use of renewable energy in this state.
14 20 Sec. 25. EFFECTIVE DATE. This Act, being deemed
14 21 of immediate importance, takes effect upon enactment.>
14 22 #2. Title page, by striking lines 3 and 4 and
14 23 inserting the following: <changes consistent with
14 24 energy efficiency, and providing an effective date.>
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14 26
14 27
14 28

COMMITTEE ON COMMERCE
14 29 JACOBY of Johnson, Chairperson
14 30 HF 498.210 82
14 31 rn/es/7454